SEPTEMBER/OCTOBER 2010

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CONTENTS

SEPTEMBER/OCTOBER 2010

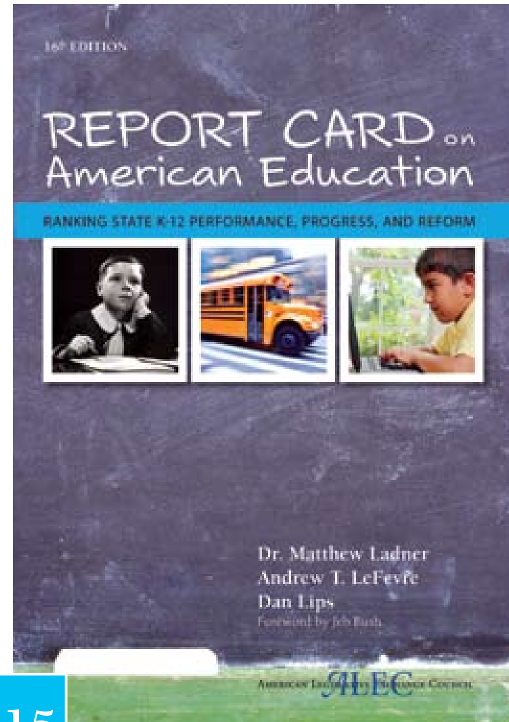
ALEC POLICY FORUM (PULL-OUT SECTION)

STATE SPOTLIGHT

NEWS

SPECIAL REPORTS

NEW ALEC PUBLICATIONS



$15

REPORT CARD ON AMERICAN EDUCATION
RANKING STATE K-12 PERFORMANCE, PROGRESS, AND REFORM

BY Dr. Matthew Ladner, Andrew T. LeFevre, and Dan Lips
WITH A FOREWORD BY Gov. Jeb Bush

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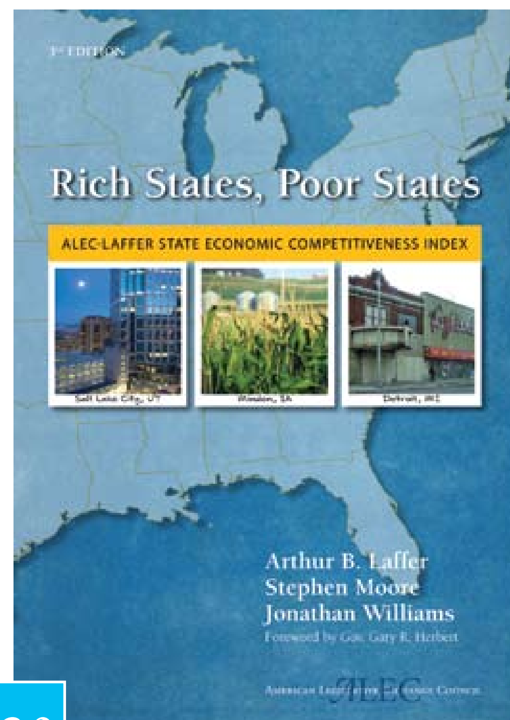

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RICH STATES, POOR STATES
ALEC-LAFFER STATE ECONOMIC COMPETITIVENESS INDEX

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U.S. Sen. Jim DeMint, South Carolina

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Oklahoma Schools Other States

BY LESLIE HINER

Oklahoma's children with special needs now have the chance for a better education—an education chosen by their parents, not one mandated by government bureaucrats. To quote Oklahoma's state song, "When we say, 'Yeeow! A-yip-i-o-ee ay!' We're only sayin,' 'You're doin' fine, Oklahoma! Oklahoma—O.K.'"

To be sure Oklahoma is doing better than okay. House Bill 3393, which will provide school choice scholarships to students with special needs, passed both the state's legislative chambers after receiving bipartisan approval in the House and more narrow support in the Senate. On June 8, Gov. Brad Henry (D) signed the program into law, making it the country's first private school choice program enacted in 2010.

The House measure—named the *Lindsey Nicole Henry Scholarships for Students with Disabilities Act* after Gov. Henry's infant daughter who died of Werdnig-Hoffman Disease—redirects dollars spent on a participating child at his current public school to a public or private school of his family's choice. Five percent of the funding amount will be retained by the child's school district for administrative purposes.

Specifically, the scholarship amount is equal to the state and local dollars that would have been spent to educate the child in his public school or the amount of private school tuition, whichever is less. After a child receives a scholarship, he would continue to receive it each year through high school graduation. The program is a win-win for students, parents, taxpayers, and schools.

After all, scholarships allow participating students to enroll in private schools that better meet their unique needs. For those families that are happy with their children's progress in public schools, chances are they will keep their children in their current school. As with similar programs across the country, this is a choice—not an order.

The program's fiscal effects reveal further benefits: Public schools will lose the liability of being sued by parents who want to remove their child with special needs from public school. In addition, there are no residual financial obligations by the public school if one or more of its students depart using a scholarship. If families are planning to remove their child, they must give the school 60-days notice.

Best of all, Oklahoma's proposal is fiscally neutral, and may even provide cost savings to taxpayers. Remember, scholarships are worth either the state and local dollars currently spent on a child with special needs or the cost of private school tuition, whichever is less. In good economic times or bad, school choice eases the burden on state taxpayers.

Opponents to such programs claim private schools don't ensure children are being protected and achieving academic success. Not true. First, the ultimate accountability agent is a student's parent(s). Second, private schools participating under this program must be accredited, approved by the state board of education, fiscally sound, and must provide accountability information to parents regarding the child's academic progress.

And as for the program's effects on public education, no credible study has ever found such programs harm public schools, according to The Foundation for Educational Choice.

"Oklahoma—where the wind comes sweepin' down the plain," and where school choice history in 2010 was made. ■

Leslie Hiner is the vice president of programs and state relations at The Foundation for Educational Choice, the school choice legacy foundation of Milton and Rose Friedman.

House Bill 3393 was sponsored by State Rep. Jason Nelson (R), with co-sponsors Rep. Anastasia Pittman (D), Rep. Jabar Shumate (D), and Rep. Sally Kern (R); the Senate sponsor was Sen. Patrick Anderson (R). It is closely aligned with ALEC's *Special Needs Scholarship Program Act*. Oklahoma joins Arizona, Florida, Georgia, Ohio, Utah, and Louisiana as states that offer private school choice opportunities for students with special needs.

Of note, this year Louisiana also enacted its own private school choice program for students with special needs, the *School Choice Pilot Program for Certain Students with Exceptionalities Act*. It, too, received bipartisan support through lead sponsor Rep. Franklin Foil (R) and cosponsors Rep. Major Thibaut Jr. (D), Rep. Patrick Williams (D), Sen. Conrad Appel (R), Sen. Ann Duplessis (D), Sen. Eric LaFleur (D), and Sen. Gerald Long (R). It was signed into law by Gov. Bobby Jindal (R).

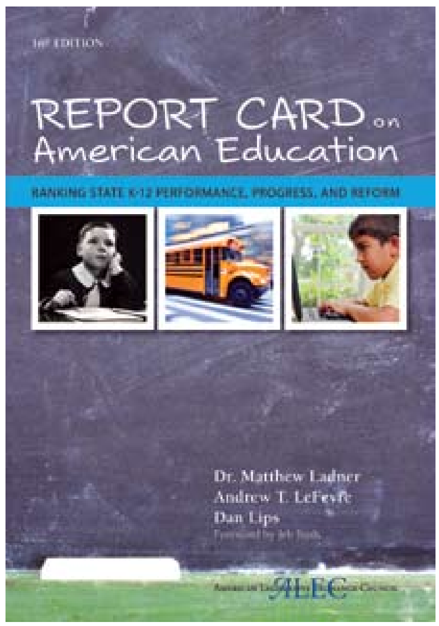
NOW AVAILABLE

Newest Edition of *Report Card* Enhances Education Debate

BY MONICA MASTRACCO, Legislative Assistant for ALEC's Education and Health and Human Services Task Forces

It's no secret that American students are facing an uphill battle. Their schools are in dire need of reform and are failing to prepare them for their future. We've doubled per-student spending over the past 40 years, yet have seen no academic improvements. It's time we stop and ask ourselves: **"How can we fix this critical problem?"**

Answers to the question above and others can be found in ALEC's newly published 16th edition of the *Report Card on American Education: Ranking State K-12 Performance, Progress, and Reform*, by Dr. Matthew Ladner, Andrew T. LeFevre, and Dan Lips. For each state, the report provides a numerical ranking—measuring student performance and progress—and a letter grade—representing the state's commitment to pro-student reforms.



By discussing both where we are today and what needs to be done to achieve the goals of tomorrow, this publication pulls back the curtain to reveal the true quality of education each student is receiving in American schools. Serving as a magnifying glass on the real problems the current system faces, the *Report Card* provides an essential roadmap legislators need to bring forth excellence in their state's educational system.

$9,266

Per-student expenditure in American public schools in 2007, up from $4,060 in 1970.

For years, the commonly held belief has been that giving schools more taxpayer dollars would be the solution to our educational problems. As you will see throughout the report, this notion simply is not true.

Florida, for example, successfully demonstrates how implementing ALEC-style policies promotes success. Reforms enacted during Governor Jeb Bush's administration (who also happened to write the foreword for the *Report Card*) have made that state a true innovator in the country, while edging it toward the cusp of eliminating the achievement gap. Other states should take heed.

So how are the rankings and grades determined? By comparing low-income students' performance and their corresponding improvements on four tests—the fourth- and eighth-grade reading and mathematics National Assessment of Educational Progress (NAEP) exams—the authors were able to rank the 50 states and the District of Columbia. The authors also graded each state (A to F) based on its education reform policies including academic standards, school choice programs, charter schools, online learning, and the state's ability to adequately assess and reward excellence in their educators.

According to these measurements, Vermont ranks first while South Carolina ranks last in student academic performance. And based on state policies, Florida is the clear class leader, earning a B+, while Nebraska, North Dakota, Rhode Island, Tennessee, and Vermont tie for the lowest ranking, each earning a D.

As Thomas Jefferson said, "If the children are untaught, their ignorance and vices will in future life cost us much dearer in their consequences, than it would have done, in their correction, by a good education." We owe it to our children to provide this "good education," giving them the opportunity to achieve academic excellence. ALEC's *Report Card* is a comprehensive guide for successful education reforms, providing the policy knowledge, the tools for its implementation, and the proof that those policies work.

So if our initial question was "How can we fix this critical problem facing our students?" Now the more appropriate question is, "Who is willing to take on the fight?" ■

BY LANCE T. IZUMI & VICKI E. MURRAY

The Online Learning Revolution

Opportunities and challenges

Expanding the promise of education is one of America's most urgent needs, but there is growing recognition that a school system designed in the 19th century cannot meet the needs of 21st century students. Moving beyond one-size-fits all, mass-provision of schooling to personalized instruction will require the effective use of technology. Both state and national elected officials are committing to using technology to transform American public schooling to help all students stay in school, succeed in college, and enjoy successful careers.

Yet some experts note that other countries, especially developing ones, are already far ahead of the United States. "Online education is now an international export, and no longer a cottage industry," says Susan Patrick, former director of the U.S. Department of Education's Office of Educational Technology. She is now the president and chief executive officer of the International Association for K-12 Online Learning (iNACOL) and notes that other countries are seizing upon technological advances: "However, the United States is shutting itself out of many of these opportunities both for the U.S. educational industry—but more importantly for our students."[1]

Too often technology is treated as an

Lance T. Izumi, J.D., is the Koret Senior Fellow in Education Studies at the Pacific Research Institute.

Vicki E. Murray, Ph.D., is the Education Studies Associate Director at the Pacific Research Institute.

1 "Online Teaching and Learning: Digital Directions Live Chat," moderated by Michelle Davis, *Education Week*, Sept. 26, 2008, http://www.edweek.org/chat/2008/09/26/transcript_09_26_08.html.

"add-on," rather than an integral part of the classroom. Once a week, elementary-school students may visit a computer lab. Computers may sit at the backs of classrooms that students can use only after teachers finish the day's lessons—if there is time. High-school students may use the Internet and computers for word processing, but technology is not integrated into instruction. "[T]axpayers, philanthropies, and corporations have spent more than $60 billion to equip schools with computers in just the last two decades. And yet the machines have made hardly any impact," conclude Harvard Business School professor Clayton M. Christensen and Michael B. Horn, executive director of education at Innosight Institute, co-authors of *Disrupting Class: How Disruptive Innovation Will Change the Way the World Learns*.[2]

"It need not be this way," conclude John Chubb, chief development officer and senior executive vice president of Edison Learning, and Stanford University political scientist Terry Moe. Lessons, instruction, and class schedules can all be customized to meet unique, individual needs of students, say Chubb and Moe, who add that "education can be freed from the geographic constraints of districts and brick-and-mortar buildings; coursework from the most remedial to the most advanced can be made available to everyone; students can have more interaction with teachers and one another; parents can readily be included in the education process; sophisticated data systems can measure and guide performance; and schools can be operated at lower cost with technology."[3]

Today, more than two million of the country's 50 million public-school students are currently attending a virtual school for all their classes or taking at least one course using the Internet.[4] That figure is astonishing considering elementary and secondary online education programs began emerging with the Florida Virtual School and the Kentucky Virtual School in 1996. Experts consider K-12 online learning's 30 percent annual enrollment growth virtually unprecedented and believe that number will increase to 10 million by 2014, roughly one out of every five public-school students.[5]

Public school districts typically rely on outside online course providers, including other districts, schools, and postsecondary institutions.[6] According to school administrators who report using particular online course providers, postsecondary institutions account for nearly half of public schools' online courses (47 percent).[7] State virtual schools, which provide centralized K-12 online courses, provide 41 percent of online courses; while independent vendors provide 35 percent. Other in-state public school districts and education agencies, including virtual charter schools, provide 29 percent.

"Across the country, strong demand for online learning is pushing it from a fringe offering to a strategic imperative for districts," according to Gregg Levin, vice president, KC Distance Learning. "This is likely being driven by the growing popularity of statewide virtual charter schools, increasing acceptance of online learning for all populations of students, and its cost effectiveness during tough economic times."[8]

John Watson and Butch Gemin of Evergreen Consulting Associates, an online-learning consulting and research firm in Evergreen, Colorado, explain that there is "a simple litmus test for evaluating online learning policy. Good policy answers two key questions affirmatively: Does the policy hold promise for increasing student educational opportunities? Does the policy hold promise for improving student educational outcomes? If the answer to both questions is yes, the policy is likely to be beneficial."[9] Experts recommend policy makers interested in unleashing the transformative power of technological innovation in education keep the following core principles in mind:

1. Provide equal access to all students.

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2 Clayton M. Christensen and Michael B. Horn, "How Do We Transform Our Schools? Use technologies that compete against nothing," *Education Next*, Summer 2008, vol. 8, no. 3, http://educationnext.org/how-do-we-transform-our-schools/

3 Terry Moe, Larry Cuban and John Chubb, "Virtual Schools: Will education technology change the role of the teacher and the nature of learning?" *Education Next*, Winter 2009, vol. 9, no. 1, http://educationnext.org/virtual-schools/.

4 David Nagel, "10.5 Million PreK-12 Students Will Attend Classes Online by 2014," *The Journal*, October 28, 2009, http://thejournal.com/articles/2009/10/28/10.5-million-prek-12-students-will-attend-classes-online-by-2014.aspx; and U.S. Department of Education, National Center for Education Statistics (2010).

Digest of Education Statistics, 2009 (NCES 2010-013), available on the Fast Facts Website, http://nces.ed.gov/fastfacts/display.asp?id=65.

5 David Nagel, "Q&A: iNACOL's Susan Patrick on Trends in eLearning," *The Journal*, Oct. 29, 2009, http://thejournal.com/articles/2009/10/29/q-a-inacols-susan-patrick-on-trends-in-elearning.aspx;

David Nagel, "10.5 Million PreK-12 Students Will Attend Classes Online by 2014," *The Journal,* Oct. 28, 2009, http://thejournal.com/articles/2009/10/28/10.5-million-prek-12-students-will-attend-classes-online-by-2014.aspx; and U.S. Department of Education, National Center for Education Statistics (2010).

Digest of Education Statistics, 2009 (NCES 2010-013), available on the Fast Facts Website, http://nces.ed.gov/fastfacts/display.asp?id=65.

6 Executive Summary in Izabella Zandberg and Laurie Lewis, Technology-Based Distance Education Courses for Public Elementary and Secondary School Students: 2002–03 and 2004–05. (NCES 2008–008), National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education. Washington, D.C., June 2008, http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2008008.

7 Anthony G. Picciano and Jeff Seaman, *K-12 Online Learning; A 2008 Follow-up of the Survey of U.S. District Administrators*, The Sloan Consortium, January 2009, p. 20, http://www.sloan-c.org/publications/survey/k-12online2008.

8 Gregg Levin, quoted in John Watson, *Keeping Pace with K-12 Online Learning: A Review of State-level Policy and Practice*, Evergreen Education Group, November 2009, p. 24, http://www.kpk12.com/download.html.

9 John Watson and Butch Gemin, "Promising Practices in Online Learning: Funding and Policy Frameworks for Online Learning," Evergreen Consulting Associates for iNACOL, July 2009, p.20, http://www.inacol.org/research/promisingpractices/index.php.

2. Ensure a range of online learning opportunities, including full-time and supplemental options.

3. Provide equitable and rational funding so online learning options meet growing demand without compromising quality.

4. Require reasonable oversight and reporting requirements to ensure quality.

5. Enhance student access to high-quality teachers with sensible certification requirements that recognize out-of-state teaching licenses.

6. Balance oversight with continued responsiveness to emerging virtual learning developments.

7. Empower teachers to work with parents to promote students' academic progress.

8. Encourage meaningful involvement of parents to ensure accountability for student learning.

9. Make existing policies compatible with online learning progress and accessibility.

10. Require outcomes-based accountability measured by student learning; not input-based regulatory compliance that focuses on geographical boundaries, class size, seat time and other time- and place-related mandates.[10]

The nation's most populous state, California, offers a good example of both the hope offered by online learning and the challenges created by government. An array of online learning models is on display in California schools ranging from some innovative programs at traditional public schools to hybrid charter schools to virtual charter schools. Where these models have been implemented well, the results have been impressive.

One of the best examples of the potential of online learning is the Rocketship Mateo Sheedy charter elementary school in San Jose, which was established in 2007. Rocketship is a hybrid charter school, where students attend classes in brick-and-mortar buildings, but where a portion of the teaching and learning is conducted in learning labs that use software programs focusing on the core subjects and tailored to the individual needs and abilities of students.

"Across the country, strong demand for online learning is pushing it from a fringe offering to a strategic imperative for districts." - Gregg Levin, Vice President , KC Distance Learning

Nine out 10 of Rocketship's students are Hispanic, more than eight of 10 are socio-economically disadvantaged, and more than three quarters are English language learners. Preston Smith, a co-founder of the school and Rocketship's chief academic officer, says that the school was intentionally placed in an area next to low-performing regular public schools. "Our big overall mission is to eliminate the achievement gap within our lifetime," says Smith. He wants "all students to be at grade-level by the second grade" and "by the time they leave us in the fifth they are at grade level or above in language arts and math." Despite its short time of existence, the school has made huge and successful progress in meeting its goals.

An amazing 85 percent of Rocketship's second graders scored at or above the proficient level on California's 2009 state English-language-arts exam. By comparison, at predominantly white and Asian Addison Elementary School in affluent Palo Alto, home to Stanford University, an equivalent 84 percent of second graders scored at or above proficient. In mathematics, Rocketship second graders bested their Addison counterparts by even more.

Ninety-five percent of the Rocketship's second graders met or exceeded proficiency on the state math exam. In contrast, 87 percent of Addison second graders scored at or above the proficiency bar on the math test. In other words, Rocketship is eliminating the achievement gap between poor minority students and their more affluent peers. Exactly how has Rocketship been able to post such incredible results?

Preston Smith attributes a great deal of the success to the online learning labs. In the labs, the school is "implementing data-testing curricula that is adaptive so that when a kid gets a question right it gets more difficult, and if they get it wrong it backs up and re-teaches." Smith believes that the future holds great promise: "I think this is where we've got amazing potential to really start pouring out some individualized instruction where online learning and the classroom are really synced up."

The online-learning component at Rocketship also has the important side benefit of reducing the cost of instruction. According to Smith, because of the learning lab, "For every four classes we have only three teachers rather than four, so we reduce staffing [at the school] by six people, and that means a half a million dollars." Thus, while other public schools in cash-strapped California are handing out pink slips to teachers, Smith says, "we are not laying off any of

10 Author's summary of "first Principles" in John Watson and Butch Gemin, "Promising Practices in Online Learning: Funding and Policy Frameworks for Online Learning," Evergreen Consulting Associates for iNACOL, July 2009, p. 9, http://www.inacol.org/research/promisingpractices/index.php.

our teachers," but, "in fact, we're giving teachers raises, which is unheard of in a public school district in California." The money saved by the school is also used to implement intervention programs, curricula upgrades, and intensive training programs for school leaders.

Rather than being just another isolated success story, Rocketship leaders plan to expand to 10 schools in four years, including expansion to other states. Netflix CEO and former state Board of Education member Reed Hastings, who co-chairs Rocketship's national strategy board, says, "I'm excited about Rocketship driving the next generation of online learning using their Learning Lab as the test bed for great new online curricula."

"Trying to do something new, innovative, and creative in a public school system is virtually impossible."

– mother of Mark McLean, an autistic sixth grader

While Rocketship Mateo Sheedy is a hybrid charter, California is also home to the largest number of virtual charter schools in the nation, with more than 40. At virtual charters, all learning takes place through online delivery of instruction and services. One of the chief misconceptions about virtual learning is the belief about who benefits most under this instructional model.

An article in the *Journal of Distance Learning* noted: "The majority of literature may portray K-12 online learners as being primarily highly motivated, self-directed, self-disciplined, independent learners who read and write well, and who have a strong interest in or ability with technology. However, this is clearly not an accurate description of the entire or possibly even the majority of students attending virtual schools and, particularly, cyber schools."

Take Mark McLean, a sixth grader in Scotts Valley, a scenic community on California's central coast. Mark has autism and for several years attended regular public school. According to Mark's parents, staff at the public school were very resistant to supporting children with autism. Mark's mother observed, "Trying to do something new, innovative, and creative in a public school system is virtually impossible." Instead of hiring lawyers and fighting the school district to provide the services that Mark needed, his parents chose to enroll him in the California Virtual Academy (CAVA) charter school.

Operated by K12, Inc., CAVA is located in a number of counties throughout the state. Students learn at home using their computers. According to Mark's mother, at appointed times students and teachers log in, kids see the whiteboard, teachers instruct students and ask them to write answers on the board, type into chat boxes, or they can read out loud or give verbal answers using a microphone. "There is a real sense of being in a classroom," she observes. Different subjects are taught at different times, and the instruction is individualized to Mark's needs, so that in addition to the core subjects, he also receives occupational therapy, behavior training, and assistance from a special education teacher.

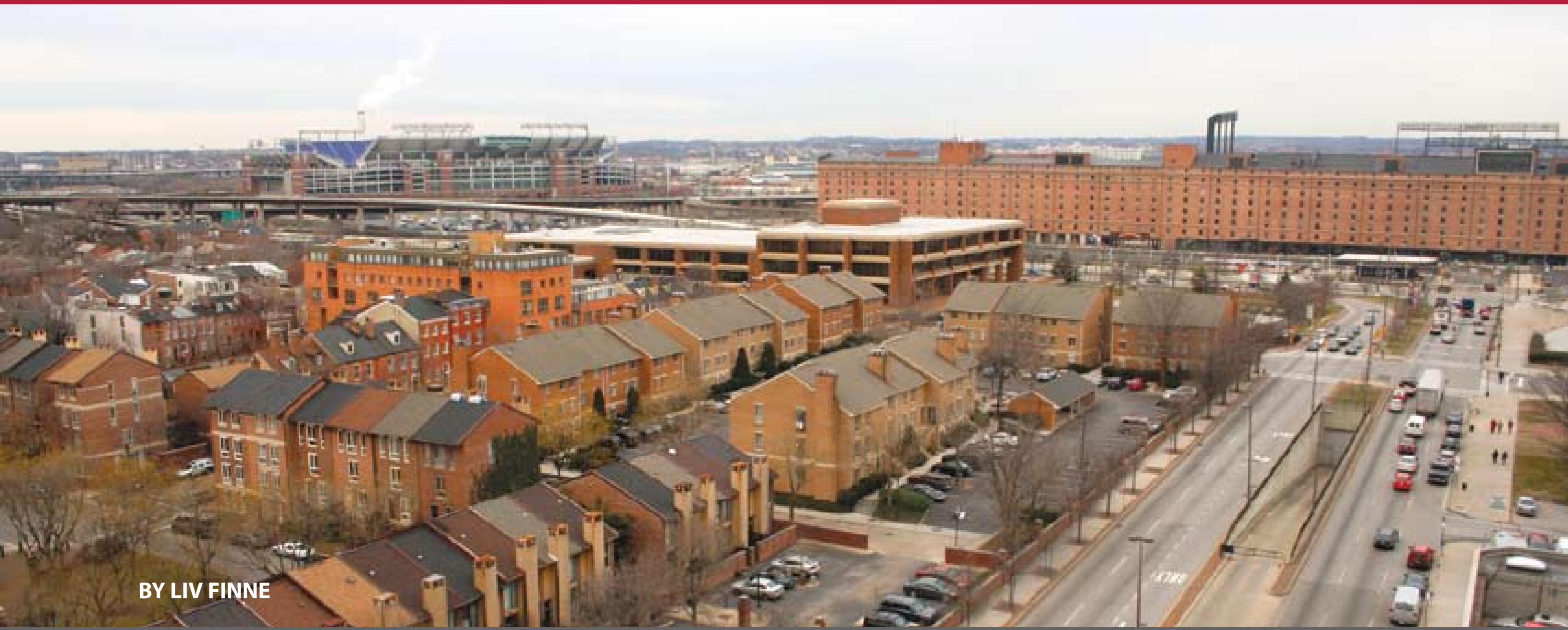
Under the virtual model, Mark has been able to work at his own pace. Also, the highly visual environment created through the use of the computer is, according to Mark's mother, "just terrifically motivating." The result has been eyebrow-raising.

While at his previous regular public school, Mark scored at or below the basic level on the state subject exams. Now, according to his parents, he scores proficient or advanced in the core subjects. Mark's father, an instructor at a local community college, says, "My students can't spell as [well] as Mark."

Despite these successful online learning examples, California lawmakers have erected obstacles to rational expansion of online learning. Non-classroom-based charters receive only up to 70 percent of the regular per-pupil funding that other public schools receive. The state Board of Education can decide that these charters can receive more or less than this reduced amount depending on personnel and other factors. Further, virtual charter schools cannot receive funding for students who do not reside either in the county in which the charter is located or in a contiguous adjacent county.

This latter restriction results in irrational situations such as the inability of students in San Francisco county to attend a virtual charter in non-contiguous Santa Clara County in the Silicon Valley, despite the relatively short distance between the two counties, while students separated by many more miles in massive and contiguous Los Angeles and Kern counties can attend the same virtual charter. Also, a contiguous-counties rule makes no sense given the ability of virtual charters to offer instruction anywhere regardless of physical distance.

Online and virtual learning offers the opportunity to better meet the individual needs of students, to increase student achievement, and to reduce costs in a time of budget shortfalls. Governors, legislators, and other policymakers need to examine how to maximize these benefits, rather than worrying about how these new models threaten the long-failing education status quo. ■



BY LIV FINNE

Student-Centered Funding Succeeds in Baltimore City Public Schools

Saves money, improves working conditions, and raises student achievement

Forward-thinking school superintendents, like CEO Andres A. Alonso of Baltimore City Public Schools, are reorganizing the way they run their schools, and achieving dramatic gains for students. They are implementing Fair Student Funding. This reform shifts control over school spending from central districts to individual school principals. Under Fair Student Funding, school principals are able to control the actual dollars in their school budgets, instead of having to manage a building already staffed by the district. Principals with budget power are then able to customize their programs to meet the individualized educational needs of their students. In return for this new flexibility and control, school principals are held accountable for student performance.

Liv Finne is Director of the Center for Education at the Washington Policy Center. www.washingtonpolicy.org

Thirteen other school districts across the nation have adopted Fair Student Funding, also known as Student Centered Funding, student "backpacking," or Weighted Student Formula. The idea is the same. Instead of providing funding based on staffing ratios or categorical program, the money follows and funds the child, weighted according to his educational needs. The districts employing this strategy for funding schools include the following: Belmont Pilot Schools in Los Angeles, Boston's Pilot Schools, Renaissance 2010 Schools in Chicago, Cincinnati, Clark County (which includes Las Vegas), Denver, Hartford, State of Hawaii, Houston Independent School District, New York City, Oakland, Poudre School District in Colorado, St. Paul, and San Francisco.

The Education Task Force at ALEC

passed a model Student Centered Funding bill in December 2009.

The story of how Baltimore City Public Schools achieved this reform is well worth telling. It started with a visionary leader: Andrés A. Alonso. He was selected as Chief Executive Officer of Baltimore City Public Schools in the summer of 2007.

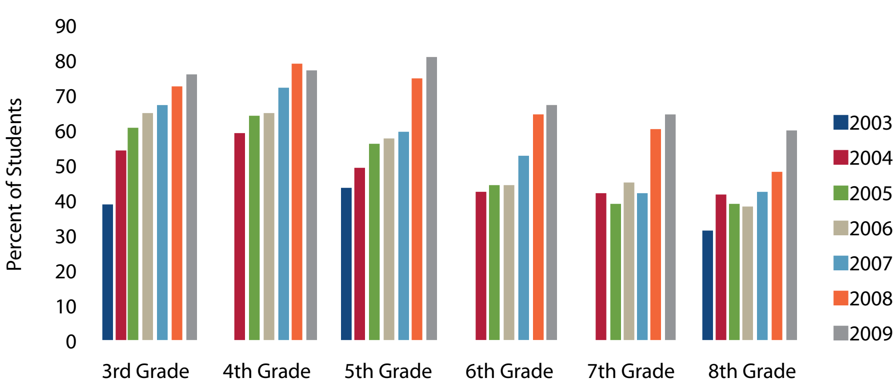
Baltimore City Public Schools has 202 schools, 82,866 students, of which 91.2 percent are minority and 82.3 percent are low income. Average per pupil operating funding in FY 2010 was $9,452, and $13,646 per pupil for all operating and capital spending.

Because of low student achievement, Baltimore City Pubilc Schools was on the federal "needs to improve" list. The district faced a $76.9 million budget shortfall.

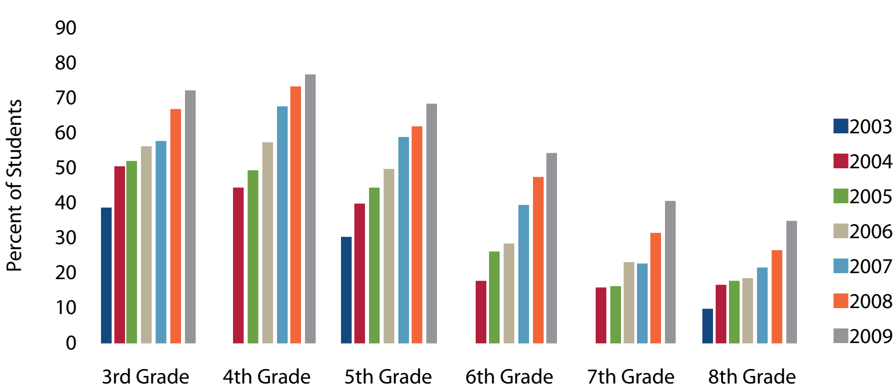
Alonso moved quickly to convince the School Board to adopt the Fair Student Funding Plan, and in less than one year, the School Board approved Alonso's decentralization plan based upon the following assumptions:

- Create a system of great schools led by great principals who have the authority, resources, and responsibility to teach all students well.
- Engage those closest to the students in making key decisions that impact students.
- Empower schools, then hold them accountable for results.
- Ensure fair and transparent funding that schools can count on annually.
- Size the district appropriately to address the realities of revenues and expenditures.
- Allow dollars to follow each student.
- Put the resources in the schools.

Students Proficient and Advanced on Maryland State Assessment in Reading



Students Proficient and Advanced on Maryland State Assessment in Math



The Fair Student Funding Plan identified $165 million in savings from the central office to cover the funding shortfall and redistributed the surplus of approximately $88 million in central office funds to the schools.

Fair Student Funding gave school principals control over the actual dollars in their school budgets. In FY 2009, principals in Baltimore City Public Schools went from controlling 3 percent of their budgets to 70 percent. In FY 2010 that budget control increased to 81 percent.

Under Fair Student Funding, Baltimore City principals have discretion over at least $5,000 per student as a base funding level, up from about $90 in the 2007-8 school year. Schools also receive $2,200 for each student who is struggling academically and $2,200 for each student qualifying as gifted, plus $900 for every low-income student in high school as a drop-out prevention weight.

School principals under this reform are no longer trapped by existing staffing formulas and school schedules, and can make changes to raise student achievement. One way they do this is to improve working conditions for teachers, focusing on reducing a teacher's "total student load." This means that a typical high school teacher under such a reform will see his student load fall from 150-180 students to an average of 88 students (private school teachers have student loads of 70-80 students), making it possible to give meaningful feedback to students on essays and tests.

Professor Ouchi in his book *The Secret of TSL (Total Student Load): The Revolutionary Discovery That Raises School Performance* (Simon and Schuster, 2009) describes how principals manage these changes. They increase the proportion of teachers to support staff; they adjust the school schedule; and they make other changes to individualize instruc-

tion for students and move resources to the classroom. Professor Ouchi's comprehensive analysis of 442 schools employing this reform shows that reducing student loads on teachers results in significant gains to student learning.

Fair Student Funding has allowed CEO Alonso to shift talent and resources to the schools. This has transformed the central office into a leaner, more responsive agency focused on guiding and supporting schools, and responsible for holding schools accountable for student achievement.

Alonso and the School Board also increased choices for parents by opening six new Transformation Schools (combined middle-high schools), two new charter schools, and one contract school. City Schools launched Expanding Great Options to expand and relocate school programs that were working for students and closing those which were not. With the approval of the Board, the district closed and relocated nine schools for 2009-10.

Parents and community members have been allowed input on the budget priorities of 143 schools and in the selection of 32 new principals, and 22 community-based organizations are working with 85 schools to increase participation in organized parents groups. The number of Teach For America teachers has increased from 163 members in 2008-9 to 318 in 2009-10.

Low-income first and second graders who attended pre-kindergarten at Baltimore City Public Schools are showing higher scores on the Stanford Achievement Test 10 than low-income students who didn't attend pre-kindergarten, so Alonso and the School Board have used federal stimulus funds to expand from 4,200 to 4,800 the number of slots available in the district's pre-kindergarten program.

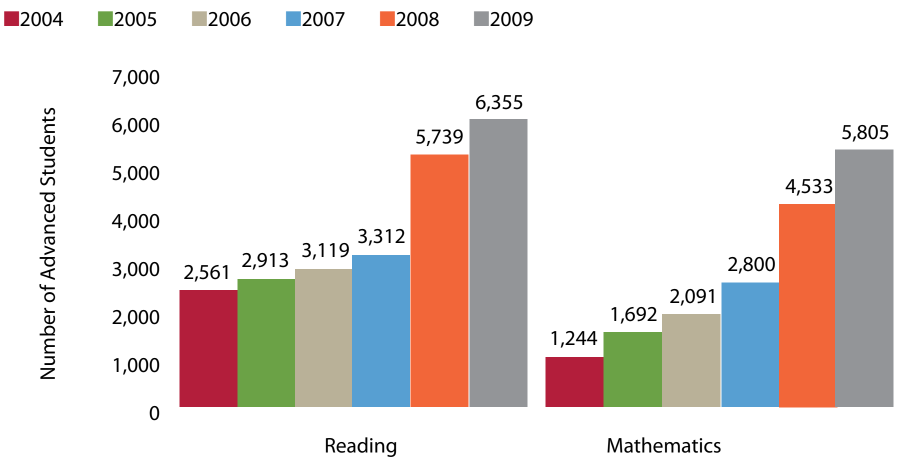
These approaches are making a difference for students and families in Baltimore. Test scores of students on the Maryland State Assessment were up across all grades and groups in 2008-9, building on the record gains of 2007-8. Special education students are advancing at an even greater rate than general education students.

City Schools' 2008-9 dropout rate, 6.2 percent, is down 36 percent since 2006-07, a record low. In 2008-9, the first year Maryland students had to pass the High School Assessments (HSAs) to graduate, 253 more students received diplomas and 475 fewer students have dropped out of school; nearly 1,000 fewer students have dropped out in the last two years.

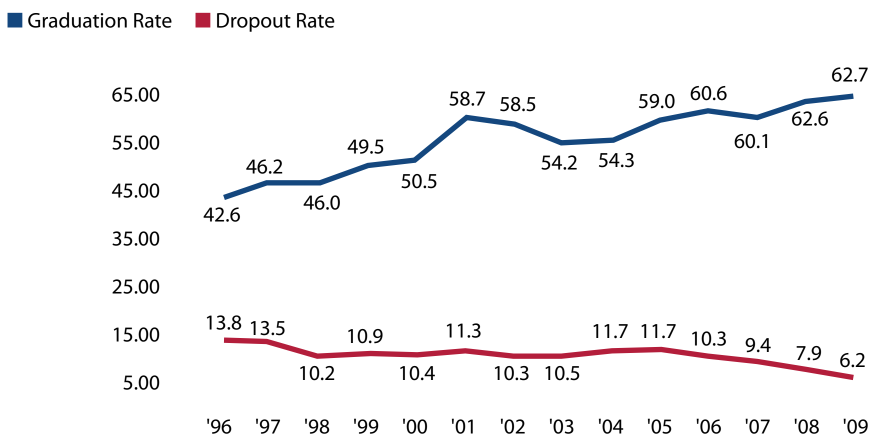
Too many students in the higher grades continue to struggle, particularly in math. But now, because of Fair Student Funding, principals have control over their resources and can continue to focus efforts on raising the reading and math achievement of students in fifth, sixth, seventh, and eighth grade.

Baltimore City Public Schools are no longer on the federal "needs to improve" list. Baltimore City school officials are not complaining about school funding. Instead, they celebrate the achievement of their students and of the many principals, teachers, and parents who are working to make this happen for children. They are not content with the status quo, and they continue to push for even better results. ■

Maryland School Assessment, Grades 3-8: Number of Students Scoring Advanced



Graduation and Dropout Rates



Travel Tax

How ALEC is taking a stand for fair tax treatment of online travel agents

BY SETH COOPER, Director of ALEC's Telecommunications and Information Technology Task Force

When state and local governments face budget deficits, some choose a "tax more" solution rather than a "spend less" solution. Hastily contrived taxes based on unsound policy are sometimes the result. This includes onerous new tax ordinances or aggressive reinterpretations of tax laws by tax departments that single out specific industries or businesses with special and sometimes unfair tax burdens.

In recent years, state and local governments and tax officials have gone on the offensive against e-commerce and out-of-state online businesses. Online travel agents are one of the newest targets of predatory taxation, with traveling consumers ultimately holding the bag in the form of higher prices. But ALEC is now taking a stand for fair tax treatment of online travel agents.

Online Travel Booking 101

Travel agents and online travel businesses perform valuable intermediary services for consumers. Online travel and hotel booking services such as Expedia, Travelocity, and Hotels.com provide searchable menus for consumers who want to book flights and hotel rooms. Typically such services allow consumers to search for hotels in a given area, indexed by price or quality.

Online travel businesses do not operate hotels or inns since they are remotely-located businesses that provide booking services for hotels located anywhere in the country. Online travel businesses typically enter into arrangements with local hotels that allow the online travel business to book hotel rooms at a discounted wholesale rate. When online consumers book through online travel businesses, those businesses charge consumers a total price that includes the (discounted) hotel room rate, plus hotel occupancy taxes based on the room rate and the local tax rate, plus a service fee for online travel businesses.

Because online booking services for consumers are separate from the hotel or inn-keeping services that consumers will subsequently enjoy on location, online travel businesses do not typically collect taxes on the online travel booking service fees. And once a consumer's stay at the hotel is finished, the hotel typically invoices the online travel business for the room rate plus the taxes owed. The online travel business then transmits the discounted hotel room amount and local hotel or occupancy

tax amount collected to the hotel.

Out-Of-Bounds Hotel and Occupancy Taxes

While these kinds of online travel booking services have provided consumers with convenient means for hotel room browsing and comparison shopping, some state and local governments see those services as a target for new and expanded taxation. Several local jurisdictions have recently attempted to expand their local hotel occupancy tax base by insisting that their respective taxes are based not only on local hotel room rates but also on the amount of service fees charge by remote online travel businesses. In short, local governments now want online travel businesses to collect hotel or occupancy taxes from online consumers based on service fees charged for separate, remotely performed services. And new taxes ultimately translate into higher prices for consumers.

Travel Agent Services are Distinct from Hotel Services

States and local governments that have aggressively targeted online travel businesses with hotel and occupancy tax collection obligations based on their booking service fees have done so by wrongly conflating travel agent services with hotel or inkeeping services. But the two services are separate. As tax law expert Professor Walter Hellerstein has explained:

It is plain as a matter of common understanding that travel intermediaries generally do not provide hotel accommodations. They neither own nor operate hotels, and their function, to wit, facilitating consumers' booking of hotel accommodations, is distinct from the provision of the hotel lodging itself ... sales tax policy supports the view that travel intermediaries' margin should be taxed as a service discrete from the provision of hotel accommodations.

Double Taxation Trouble

Subjecting travel agents and online travel businesses to hotel or occupancy taxes based on the booking service fees they charge consumers raises problems of double taxation. Booking fees charged by online travel businesses constitute business revenues that are already subject to business and occupation (B&O) or business income taxes. Online travel businesses must pay those taxes to the states or local governments that they are located in. But by subjecting online booking fees already subject to B&O or business income tax to another state's hotel or occupancy tax constitutes an unfair form of double taxation.

Lawsuit Racket

Local governments have unleashed nationwide wave of litigation against online travel businesses for supposedly unpaid hotel and occupancy taxes springing from online booking service fees. On several occasions, local governments have secured the services of trial lawyers who have vigorously pursued lawsuits against online travel businesses on a contingency fee basis. Fortunately, the overwhelming preponderance of court rulings on this issue have to date ruled against tax-hungry local governments. Fortunately, this string of recent local government and trial lawyer defeats in court has prompted other local governments to forego efforts to aggressively tax online travel businesses for booking service fees.

Extraterritorial Taxation Concerns

Importantly, state or local taxation of remote travel agents and online travel businesses can raise constitutional issues concerning extraterritorial taxation. Under U.S. Supreme Court precedents, state and local governments are limited in their ability to impose sales tax collection obligations on out-of-state businesses that have no physical presence or employees in the taxing state. To be sure, state and local governments have the rightful power to impose sales or other taxes on economic activity taking place within their respective borders. But where online travel booking transactions involve out-of-state online travel businesses booking hotels remotely for out-of-state consumers, state and local governments seeking to impose hotel or occupancy taxes generally lack a substantial "nexus" with travel booking transactions that would allow them to impose taxes on such transactions.

The Answer:
ALEC's *Travel Agent Tax Fairness Act*

To address the myriad problems of predatory, double, and extraterritorial taxation and lawsuit abuse raised by recent state and local government efforts to tax remote online travel businesses for their booking service fees, ALEC has adopted the *Travel Agent Fairness Act*. This model legislation establishes a sensible framework to eliminate confusion and controversy in the imposition of hotel occupancy taxes on services provided by travel agents and other travel intermediaries.

ALEC's *Travel Agent Fairness Act* clarifies that a service which helps travelers to research, compare, and book hotel reservations is not subject to those taxes that are imposed on hotel operators for the provision of a room. By clarifying that taxes imposed as a hotel tax or occupancy tax shall apply only to the amounts received by hotel operators, this legislation will promote continued growth in travel and tourism. The model bill makes clear that under no circumstances shall a travel agent or intermediary be deemed an operator of a hotel subject to hotel tax or occupancy tax collection obligations unless such travel agent or intermediary actually operates such a facility. ■

Inclusive Policy Reforms to Boost Savings for College

BY TERRY J. LASSAR

Although a postsecondary education is more critical than ever, too few families are saving for college. Families that do save are not saving enough to cover the mounting costs of higher education. In a 2009 survey by Sallie Mae and Gallup, the majority of families indicated that their children would probably pursue a higher education degree, but only 6 out of 10 parents had started saving; and only one-third of low- and moderate-income parents were saving for college.

Promising Platform for Saving for College

Saving early for college is important to prepare for the skyrocketing tuition costs and to lessen burdensome student loans. In addition, an emerging body of research suggests that savings for children's postsecondary education may influence both expectations for college and college completion. Research conducted by the Center for Social Development (CSD) at Washington University finds that, controlling for other factors—including household income and children's academic achievement—children who expect to attend college and have a savings account in their name are seven times more likely to attend college than similar youth who do not have an account.

529 college savings plans—federally authorized, state-run programs—are a promising vehicle for saving for postsecondary education. "Yet, despite the rapid growth of college savings plans, low- and moderate-income families are much less likely to own 529 plan accounts," notes Margaret Clancy, who directs the College Savings Initiative at the Center for Social Development. "A growing number of states are implementing policy reforms to make their direct-sold 529 plans more attractive and accessible to families at all income levels," says Clancy.

A 2010 CSD report, *Toward More Inclusive College Savings Plans: Sample State Legislation*, identifies the following key policy strategies to promote 529 participation for all families:

1. facilitate enrollment and contributions;
2. remove saving disincentives;
3. increase saving incentives; and
4. strengthen tax benefits.

Some states use specific legislation to promote inclusive 529 strategies; others rely instead on broad powers in their 529 enabling legislation; and some states use administrative means. This CSD report is the framework for the model bill—"Inclusive College Savings Plan Act"—which Kevin Corcoran, program director at Lumina Foundation for Education, presented to ALEC's Education Task Force. The Task Force voted unanimously to adopt the model bill on April 30, and ALEC's board gave final approval June 3.

"State legislatures should seriously consider adopting this approach because it allows low- and moderate-income families to start saving for their children's education early," says Jamie Merisotis, president and CEO of Lumina Foundation for Education. "Individuals with college savings are better prepared—financially, academically, and socially—for a postsecondary college experience."

Terry J. Lassar is the Senior Project Manager of the College Savings Initiative (CSI) at the Center for Social Development, Washington University in St. Louis. The College Savings Initiative is funded by Lumina Foundation for Education and the Bill & Melinda Gates Foundation.

Inclusive College Savings Plan Act

This model bill offers seven legislative options to increase participation in 529 college savings plans:

State tax refunds.
Allowing 529 participants to deposit their state tax refunds directly into 529 accounts, with the option of splitting their refunds into multiple accounts is one low-cost strategy. The option to deposit increments less than the full tax refund may be especially helpful to families who want to use part of their refund to cover essential expenses. At

(Cont. on page 18, Inclusive Policy)

Taking Higher Education to a Higher Level

New productivity strategy labs provide policymakers innovative solutions

BY MARTHA SNYDER, Senior Consultant for HCM Strategists

The ripple effects of the recession touched every policy agenda. With a majority of states continuing to face significant budget shortfalls, issues that are vital to our economic success—like education, health, and housing—are all competing for severely limited resources. Enter the higher education "productivity agenda"—doing more, much more, with the budgets we have.

As of June, state policymakers now have the opportunity to join a group of peers to engage in intensive, creative, and frank discussions to help identify and pursue solutions to the higher education productivity challenge. HCM Strategists, LLC, a public policy and advocacy consulting firm that focuses on health and education, will manage the Higher Education Productivity Strategy Labs (Productivity Labs), a Lumina Foundation for Education (Lumina) initiative to expand the productivity agenda to a national platform.

Without making the necessary changes now to deliver higher education more effectively and efficiently, it is estimated that state and local higher education expenditures would need to increase 52 percent to meet the nation's demand for educated workers between now and 2025. Generating that kind of revenue is simply unrealistic. And so is the response to the current fiscal crisis—increased tuition and reduced enrollments and access to courses and programs.

In the current recession, unemployment rates are twice as high for individuals with just a high school diploma (10.9 percent) compared to those with a bachelor's degree or higher (4.7 percent). By 2020, America will need 30 million workers with a college degree to meet the economic demands of the "knowledge economy."

The United States is a leader in per-student higher education spending—in 2009 state and local governments spent $88.8 billion to fund higher education[2]—but ranks only 10th among developed nations in college degree attainment among adults age 25-34.[3] We are simply not getting value for our spending. It must change.

We must meet the challenge of more effectively educating a greater number and more diverse group of students at a time when new resources are not available. State policymakers and higher education leaders must implement policies that generate significantly more post-secondary degrees that prepare graduates for success.

Agreeing with that sentiment is easy. The hard part is actually getting it done—effectively and in a timely manner.

Lumina has embraced this challenge by setting its "Big Goal"—to increase the proportion of Americans with high-quality degrees and credentials to 60 percent by the year 2025. To help state policymakers advance toward this goal, Lumina has invested $9 million to support efforts in seven states over the next four years. These states—Arizona, Indiana, Maryland, Montana, Ohio, Texas, and Tennessee—will develop and implement policies that expand the capacity of higher education systems and institutions to educate many more students within existing resources. Beyond the work with these seven states, Lumina is also supporting efforts to expand the capacity of more states to vastly improve their systems of higher education and to graduate millions more students who are prepared to meet the challenges of a rapidly changing world.

The newly created Productivity Labs are an integral part of achieving this goal. The Labs will focus on Lumina's "Four Steps to Finishing First" policy agenda. This agenda provides four strategies to reach key goals that will help states create a virtuous cycle of investment, savings, and reinvestment necessary to increase the number of students earning college degrees.

With a strong expertise on higher education policy in the states, HCM will tailor the Productivity Lab experience to meet individual state needs, ensuring state leaders and policymakers have the information required to make effective decisions. Lab members will have access to a network of peers and technical assistance opportunities, including:

- **Intensive Site Visits:** Providing opportunity for face-to-face meetings allow participants to learn first-hand from states that have developed productivity policies or to examine promising practices relating directly to one of the "four steps" strategies.
- **Making the Most of Policy Conferences and Events:** HCM-hosted, exclusive sessions during existing national policy conferences and meetings will allow Productivity Lab participants to have one-to-one interaction to identify best practices and get substantive guidance from their peers.

(Cont. on page 18, Higher Education)

(Cont. from page 16, Inclusive Policy)

least three states currently allow 529 plan contributions on their state tax forms.

Default Investment.

Another 529 strategy—allowing for a default investment in an age- or enrollment-based portfolio that becomes more conservative as the beneficiary gets older and closer to college age—would simplify enrollment and remove a potential barrier to 529 enrollment. Research from the behavioral economics field shows that applicants who have difficulty selecting from an array of investment choices may be less likely to delay or fail to complete enrollment altogether when an investment default is available.

State student financial aid calculations.

Approximately 17 states exempt assets in 529 plans from need-based financial aid calculations. In those states that don't specifically exempt 529s, concern that potential financial aid awards may be diminished if families put money into a 529 account likely discourages some households from saving for college. Although the amount of federal financial aid vastly exceeds the amounts awarded at the state level, reforms to state financial aid programs can help remove barriers to saving.

Public assistance eligibility determinations.

Exemption of 529 assets from eligibility determinations in public assistance programs—including Medicaid and Temporary Assistance for Needy Families (TANF)—would also remove a potential disincentive for some lower-income households to save for college.

Benefits to persons other than account owners.

Expand tax benefits to include individuals other than account owners for 529 contributions. This allows relatives and friends to receive tax deductions or credits for their deposits to existing 529 accounts, where they are not the account owners.

Incentives for employers.

Many states partner with employers to facilitate payroll deductions for 529s. State tax incentives to employers to match 529 employee plan contributions could boost saving for college. In 2009, Illinois became the first state to enact legislation that offers a tax credit for employers to match employee contributions to the state 529 plan.

Matches for low-to-moderate-income account owners.

A number of states offer 529 matching deposits for low- and moderate-income state residents. State match programs vary in terms of grant amounts, eligibility criteria, and application procedures. Some programs offer initial matches to spur families to start saving, or annual matches to encourage families to save greater amounts.

Prudent Investment

College access and completion are essential to building an educated, competitive workforce and vibrant economy. Given the growing body of evidence that savings may play an important role in educational attainment, including college completion, making 529 college saving plans more inclusive may be among the most effective state policy strategies for increasing educational success. ■

This article is based on the CSI publication Toward More Inclusive College Savings Plans: Sample State Legislation, *Lassar, Clancy & McClure (2010).*

(Cont. from page 17, Higher Education)

- **Participation in the Lumina National Productivity Conference:** A select number of Lab participants will be provided support to participate in Lumina's National Productivity Conference, scheduled for November 2010 in Indianapolis, Indiana.
- **Policy information and Resources:** For each of the "four steps," each participating state will be provided policy analysis, case studies that include best practices and lessons learned and in-depth issue briefs focused on enacting and implementing legislation. Participants will also be able to request the development of content relevant to their state's needs.

Lumina will sponsor two cohorts of states to participate in the HCM Productivity Labs, the first of which launched in June 2010 and includes Arizona, California, Colorado, Indiana, Iowa, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Montana, Pennsylvania, Ohio, Tennessee, Texas, Washington, West Virginia, and Wisconsin. The second cohort will begin in January 2012.

The HCM Strategy Labs represent an opportunity for states to lead in trying times. By taking on the challenge of creating high-performing higher education systems that are responsive to our students' and our national economy's needs —we will help engineer an economic recovery and greater prosperity. ■

LEARN MORE

Legislators from states in the first Productivity Strategy Lab cohort can participate by emailing HCM Strategists, LLC at productivity@hcmstrategists.com.

To find out more, visit: www.collegeproductivity.org/strategy-labs.

Online Taxes

The Holy Grail of revenue

BY KELLY WILLIAM COBB,
Executive Director for the Digital Liberty Project, Americans for Tax Reform

With state budgets swimming in red ink, over the past two years lawmakers and revenue departments have looked increasingly at taxing online commerce. Today, however, the effort has resulted in a myriad of complex and unconstitutional laws adopted by states that have yet to see their Holy Grail of revenue materialize.

New York became the first state to target online sales in 2008, requiring retailers to collect sales tax if the company advertises on in-state websites. The so-called "affiliate nexus tax" also passed in North Carolina and Rhode Island last year. However, the law prompted online retailers to stop advertising in those states, meaning no additional money for the state or for bloggers and online advertising businesses.

This year, Colorado started the legislative session with a package of tax hikes, including a new and more controversial way to tax interstate e-commerce. House Bill 1193 requires out-of-state retailers to hand over detailed customer information to the state's Department of Revenue. The aim is to track down residents who do not pay "use" tax on their out-of-state purchases.

North Carolina and Oklahoma quickly followed suit. The Department of Revenue for North Carolina, without legislative authority, sent letters demanding online retailers provide "all information" about customer purchases dating back to 2003, including names, addresses, products, and prices paid. Oklahoma passed a law mandating that online retailers inform their Oklahoma customers that they owe in-state tax on the purchase.

The new "reporting requirements" laws have also created more foes than friends. Online taxes have faced long-standing opposition from right-leaning lawmakers and advocacy groups, who object to higher taxes and argue the laws violate the Commerce Clause of the U.S. Constitution. Colorado and North Carolina's push, however, has prompted left-leaning groups to join the fight, citing First Amendment and privacy violations. After North Carolina went after consumer information, Jennifer Rudinger, executive director of the state's ACLU chapter, declared "it is unconstitutional and wholly unnecessary for the NCDOR to gain access to private customer records."

Colorado and North Carolina have since been slapped with lawsuits. The law passed in Colorado despite a ruling by the state's Supreme Court that the First Amendment ensures "an individual's fundamental right to purchase books anonymously, free from governmental interference."

Both laws also likely violate the Dormant Commerce Clause of the Constitution. The 1992 U.S. Supreme Court's ruling in *Quill v. North Dakota* set precedent that a state can only force a retailer to collect taxes if they have a physical "nexus" in the state. It was this precedent that prompted New York and others to try to find a loophole by enacting the affiliate nexus tax.

Yet, the laws in Colorado and Oklahoma place a severe burden on out-of-state companies and interfere with interstate commerce by requiring online retailers to track, gather, and remit information about their customers to the state—something in-state retailers don't have to do. On top of this, Oklahoma's law forces out-of-state companies to collect and remit tax if they are merely related to an in-state company, for example if they share a parent company. Right-leaning groups argue that's akin to targeting an individual in Michigan because his cousin lives in Colorado.

The "affiliate nexus tax" trend saw its reign end when revenue never flowed into state coffers. Now, with pending lawsuits and stronger opposition, the fate of the "reporting requirements" tax is also cast into doubt. California now appears to be the lone state pushing an online tax bill. In the meantime, trial and error tactics have resulted in complicated interstate tax laws and costly legal challenges as officials search for the unobtainable Holy Grail of online tax revenue. ■

Rich States, Poor States

How does your state rank?

BY JONATHAN WILLIAMS, Director of ALEC's Tax and Fiscal Policy Task Force

As states face their toughest budgetary climates in a generation, a new publication from ALEC outlines what states should do to alleviate the fiscal pain—and also what they should avoid. The third edition of *Rich States, Poor States: 2010 ALEC-Laffer State Economic Competitiveness Index* shows how many states responded to the economic crisis with higher taxes, new spending, and more debt. Instead of continuing down this road to a financial meltdown, we outline the steps states can take to bring about economic recovery.

Together with my co-authors, Dr. Arthur Laffer, the "father of supply-side economics," and Steve Moore of *The Wall Street Journal*, we analyze how economic competitiveness drives income, population, and job growth in the states. We found that states with a high and rising tax burden are more likely to suffer through economic decline, while those with lower and falling tax burdens are more likely to enjoy robust economic growth.

This publication offers a roadmap to economic recovery based on free-market fiscal policy reform. The report presents rankings of the 50 states based on the relationship between policies and performance—revealing those states best positioned to make a recovery and those that are not. The top performing states keep taxes, spending, and regulatory burdens low, while the biggest losers in the report tend to share similar policies of high tax rates, unsustainable spending, and regulation.

State governments that believe they can bring about economic recovery by growing government and increasing taxes are sadly mistaken. I like to summarize the thesis of *Rich States, Poor States* in one simple sentence: States cannot tax their way into prosperity. The best solution to budget woes is to control state spending and promote policies that foster economic growth and job creation. *Rich States, Poor States* gives policymakers an important blueprint to make their states more competitive in the months and years to come.

The correlation between poor policy and poor economic results is indisputable. Our research shows that states with responsible spending and competitive tax rates enjoy the best economic outlook. States do not enact changes in a vacuum—every time they increase the cost of doing business in their state, their state's brand immediately loses value.

Rich States, Poor States adds to a growing body of evidence, which clearly supports the roadmap to state prosperity—if you keep taxes and regulation low and restrain the growth of government, economic growth, and prosperity will not be far behind. ■

STATE RANKINGS

1. Utah
2. Colorado
3. Arizona
4. South Dakota
5. Florida
6. Wyoming
7. Idaho
8. Virginia
9. Georgia
10. Tennessee

41. Oregon
42. Ohio
43. Pennsylvania
44. Maine
45. Rhode Island
46. California
47. Illinois
48. New Jersey
49. Vermont
50. New York

"In 1970, New York had 18 million people. In 2008, it had 19 million. In 1970, Texas had 11 million people. In 2008, it had 24 million. Laffer, Moore, and Williams explain why high taxes and high government spending drive jobs and people out of states and low taxes and low government spending bring them in. The facts and figures they provide in *Rich States, Poor States* make an irrefutable case."
Michael Barone, Washington Examiner, American Enterprise Institute, co-author, The Almanac of American Politics

"*Rich States, Poor States* affirms what states have done to either bring about success or failure during these highly competitive economic times. This is a book that every state policymaker should study if they want their state to weather the current economic storm."
State Sen. Jim Buck, Indiana
Chairman, ALEC Tax and Fiscal Policy Task Force

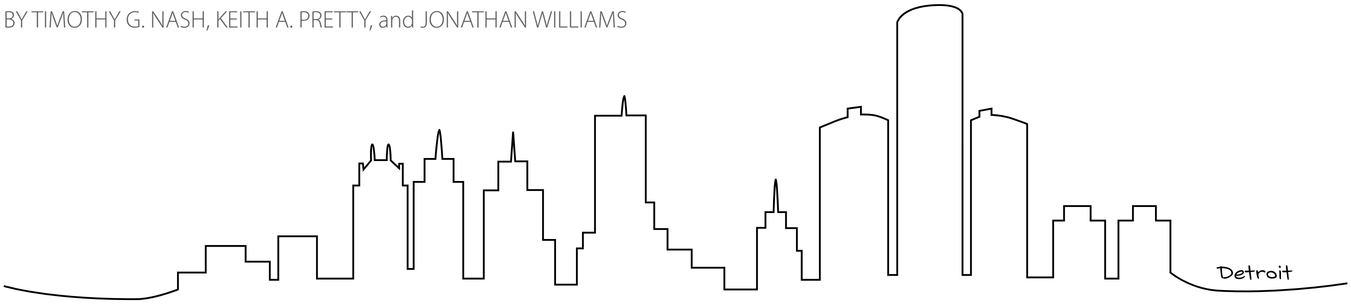
"Washington's big-government takeovers, power grabs, regulations, mandates, higher taxes, and bailouts have put state budgets in shambles. *Rich States, Poor States* is an essential guide for states to preserve their constitutional rights and fiscal sovereignty in the face of an ever-encroaching federal government."
U.S. Sen. Jim DeMint, South Carolina

"For decades, ALEC has served as a guardian of Jeffersonian principles in America's state capitols, providing important and timely resources to state legislators. *Rich States, Poor States* is a much-needed tool for lawmakers across America who are working to boost state economic competitiveness and prosperity."
Former Gov. Pete du Pont, Delaware

"*Rich States, Poor States* brilliantly outlines the severe consequences of increasing taxes during this economic downturn. As Laffer, Moore, and Williams point out, the key to state economic recovery is stimulating private-sector investment, not stimulating big government. Rich States, Poor States should be required reading for my fellow state lawmakers."
State Senate Majority Leader Chip Rogers, Georgia

Analysis of Current Michigan Public Policy

BY TIMOTHY G. NASH, KEITH A. PRETTY, and JONATHAN WILLIAMS



Michigan has a projected budget shortfall of more than $800 million for this fiscal year, which began on October 1. Recently, the governor and Michigan legislators used tax increases and service cuts as the primary budgeting tools. As the Wolverine State struggles to regain its economic footing, here are five policy suggestions Michigan's political leaders should consider to make their government more efficient and effective.

1. The tax structure in Michigan is not friendly to business and must be reformed. The non-partisan Tax Foundation ranks Michigan's corporate tax system third worst nationally. Michigan policymakers need to act quickly to reduce burdensome business taxes and simplify the tax code. A first order of business should be to eliminate the 22 percent surcharge on the Michigan business tax in order to promote a better business environment.

2. Michigan has the second highest unemployment rate in the country at 13.6 percent and was recently ranked last nationally in economic performance by the 2010 edition of *Rich States, Poor States: ALEC-Laffer State Economic Competitiveness Index*. Michigan needs to create labor policies that give those employed the right to choose whether to financially support or join a union, while giving employers more freedom to hire employees that best fit their needs. This is imperative, given Michigan has lost more than 700,000 jobs since 2000 and needs to create a more entrepreneur-friendly environment.

3. The Mackinac Center for Public Policy found that Michigan's private sector has lost 70 times more jobs than its government counterparts since 2007. The state now has 635,300 people holding public sector jobs, making government the largest single source of employment in Michigan. The University of Michigan projects the businesses will lose an additional 39,000 jobs in 2010. A reduction in the public sector payroll would fuel increased innovation, while providing substantial cost savings to Michigan taxpayers.

4. The Detroit Regional Chamber of Commerce has argued repeatedly that Michigan can save more than $800 million annually by a) privatizing prison functions like food services, and b) normalizing sentencing and parole guidelines to those of other Midwestern states.

5. Legislators should consider changing the retirement system for new hires in Michigan's K-12 public school system, from a defined benefit plan, to a "401k style" defined contribution plan. Almost all private sector companies have moved to 401k plans and many state and local governments are facing reality and doing the same. Under such a system, the state would match teachers' contributions at a set rate with the pension assets owned and controlled by the teachers and managed by a private company. Over time, the state would exit the pension business for teachers and avoid the massive unfunded liabilities that plague the financial solvency of numerous states.

Conclusion

Given Michigan's ongoing fiscal crunch, innovative, Jeffersonian reforms must be part of the solution. The five reforms outlined above would serve as a strong foundation for a state government that makes the most of its limited tax dollars. ■

A substantially similar version of this article was published by the Ash Institute at Harvard University.

Dr. Keith A. Pretty is president and CEO of Northwood University and Dr. Timothy G, Nash is a vice president and holds the Fry Chair in Free Market Economics at Northwood University. Jonathan Williams serves as Director of ALEC's Tax and Fiscal Policy Task Force.

ALEC Members Gather in San Diego

Awards, Model Legislation, and more ...

The American Legislative Exchange Council (ALEC) recognized leaders from across the nation and gathered with legislators and members of the business world at its 37th Annual Meeting held in San Diego, California, August 5-8. Twenty-five outstanding individuals were honored on behalf of their leadership and efforts in promoting limited government. Texas Governor Rick Perry received the Thomas Jefferson Freedom Award and Sen. Steve Faris (AR) received the William J. Raggio Excellence in Leadership and Outstanding Achievement Award.

Recipients of the 2010 Legislator of the Year Award were Asm. Michael Villines (CA), Rep. Linda Upmeyer (IA), Rep. Ray Merrick (KS), Del. Gail Bates (MD), Sen. Sander Rue (NM), Rep. John Adams (OH), and Sen. Glenn Coffee (OK).

Recognized as Private Sector Members of the Year were Pat Cannon of Allergan, Inc., Julie and Ron Hein of Hein Law Firm, Pete Hernandez of AT&T, Bruce MacRae of UPS, David Powers of Reynolds American, and Mickey Revenaugh of Connections Academy.

ALEC also honored recipients of the State Chairs of the Year Award, which were given—for the first time—to ALEC state chairs in good standing, who have distinguished themselves through exemplary leadership at the state level. Recipients of this award were Sen. Bill Cadman (CO), Rep. B.J. Nikkel (CO), William R. Schroeder, Jr. of Intermountain Rural Electric Association, and Linda Pryor of Pfizer, Inc.

The more than 1,500 attendees at this year's conference listened to speakers Texas Gov. Rick Perry, Scott Rasmussen, founder and president of Rasmussen Reports, John Fund of *The Wall Street Journal*, Asm. Nathan Fletcher (CA), former Sen. Norm Coleman (MN), Randall Stephenson, president and CEO of AT&T, Greg Babe, president and CEO of Bayer Corporation, and Lynn Salo, president of Allergan Medical US Breast Aesthetics Division.

Mark Your Calendar

ALEC's 38th Annual Meeting • New Orleans, Louisiana • August 3-6, 2011

We look forward to seeing you there. Visit www.alec.org for more information.

ALEC members participated in several workshops throughout the week, which included:

- Transferring Credits: Easing the Burden of Students and Taxpayers
- Energy at a Crossroads: The Impact on Jobs and Economic Growth
- Prescription Drug Abuse: Good Medicines, Bad Behavior
- How New Financial Regulations Will Affect Your State's Economy
- Show Me the Money: Improving Budget Transparency in the States
- Restoring Good Faith to Insurance "Bad Faith" Legislation
- Cutting Crime and Budgets: Proven Solutions for Your State
- The Changing Face of Journalism in the States
- A Great American Tradition At Risk: Protecting Philanthropy in Your State
- The Tenth Amendment: Federalism and Restoring State Sovereignty
- Building a Free-Market Movement in Your State
- Creating True and Lasting Budget Reform in Your State

ALEC Task Forces also met and worked to approve new model bills and resolutions, summaries of which are presented on the following pages.

New Model Legislation

The full text of all ALEC model bills is available online to ALEC members. Please feel free to contact ALEC's membership department at (202) 742-8507 if you need help accessing this legislation.

CIVIL JUSTICE TASK FORCE

Amy Kjose, Task Force Director

The Trespasser Responsibility Act

Provides that land possessors owe no duty of care to trespassers and are not liable for harms to trespassers except in limited situations that are recognized in the common law of most states. The model act reflects the common law's status-based approach to land possessor duties with respect to invitees, licensees, and trespassers. The act is a response to recent "reformist" efforts to replace the historical status-based approach with a unitary standard imposing on land possessors a duty to exercise reasonable care to all entrants, including trespassers in situations in which liability traditionally has not been imposed. The act would prevent trespassers from being elevated to the same legal status as non-trespassers in situations where tort law previously treated trespassers differently out of respect for the rights of property owners and sound public policy.

COMMERCE, INSURANCE, AND ECONOMIC DEVELOPMENT TASK FORCE

Michael Hough, Task Force Director

Electronic Pay Choice Act

An Act relating to the method of payment of wages and salaries by employers to employees. The method of payment of wages and salaries include: lawful money of the United States, by check payable at face value upon demand in lawful money of the United States, electronic automated fund transfer, or by credit to a prepaid debit card. The Act also provides a method of payment for an employer who elects not to pay wages or salaries by lawful money or by check payable in lawful money of the United States.

Resolution Concerning Tax Treatment of Affiliated Reinsurance

The Resolution lays out the importance of offshore affiliated reinsurance in risk-spreading and management throughout the insurance business. The Resolution opposes new taxes on reinsurance which would reduce its supply and raise prices for consumers and business which use primary insurance.

Share the Road Safety Act

Provides increased safety instruction of young driver education programs by raising the awareness of all motor vehicle drivers on how to share the road/highway with large trucks. This legislation requires the inclusion of a section on awareness and safe interaction with commercial motor vehicle traffic in public school, private school, and commercial driver training schools. Classroom instruction and behind-the-wheel training must include, but is not limited to: truck stopping distances, proper distances for following trucks, identification of truck blind spots, and avoidance of driving in truck blind spots.

Traffic Incident Management Quick Clearance Act

Establishes the duties of drivers when approaching traffic incidents, the expedited removal of vehicles from an incident, the liability protection for authorized clearance functions, and compensation for incident removal costs.

EDUCATION TASK FORCE

Dave Myslinski, Task Force Director

Credit Articulation Agreements Act

This Act would require statewide degree transfer agreements (transfer agreements) to transfer associate of arts (AA) degrees and associate of science (AS) degrees from one state institution of higher education (institution) to another. A student who earns an AA or AS degree that is the subject of a transfer agreement and who is admitted to a four-year institution will be enrolled with junior status. However, an institution that admits the student may require the student to complete additional lower-level courses if necessary for the degree program to which the student transfers, so long as the additional credits do not extend the student's time to degree completion beyond that required for a student who begins and completes his or her degree at the institution.

Great Teachers and Leaders Act

Reforms the practice of tenure, known as nonprobationary status in some states. Teachers can earn tenure after three years of sufficient student academic growth; tenure is revocable following two consecutive years of insufficient growth. The council for educator effectiveness will define teacher effectiveness and come up with parameters for an evaluation system that requires 50 percent of a teacher's evaluation to be based on student achievement using multiple measures. The Act requires principals to be evaluated annually with 50 percent of the evaluation based on student achievement and their ability to develop teachers in their buildings and increase their effectiveness. The Act eliminates the practice of forced teacher placement (slotting teachers in schools without their or the principal's consent) and replaces it with mutual consent hiring using the Chicago model (principals and teachers must agree to teacher placements and teachers who are not selected serve as substitutes for a year and, if not selected in the subsequent hiring cycle, are put on unpaid leave). The Act allows school districts to make reduction in force decisions based on teacher performance rather than on seniority.

Higher Education Scholarships for High School Pupils Act

Enables a school district to adopt and offer higher education scholarships for high school pupils to any high school pupil who graduates high school early and who achieves a score in the "proficient" range or above on all subjects tested in the statewide assessment. The scholarship would be equivalent to half of the total per-pupil expenditure for high school pupils in such school district to be used to defray tuition costs at any public or private institution of higher education within or outside of [state].

Online Learning Clearinghouse Act

Creates a clearinghouse through which school districts may offer their computer-based courses to students of other school districts.

ENERGY, ENVIRONMENT, AND AGRICULTURE TASK FORCE

Clint Woods, Task Force Director

Decentralized Land Use Regulation for Rural Counties

In order to prevent land use regulation that is overly centralized, intrusive, and politicized, this act authorizes rural counties with a population of 100,000 residents or less to transition to a system of decentralized land use regulation based on restrictive covenants and the common law of private nuisance, abandoning previous zoning or planning authority and withdrawing from any other zoning or planning obligations to other government entities. During the transition, property owners will have the opportunity to apply for repeal or modification of existing restrictions; after modification these restrictions will become restrictive covenants.

Eminent Domain Authority for Federal Lands Act

This bill authorizes the state to exercise eminent domain authority on property possessed by the federal government unless the property was acquired by the federal government with the consent of the Legislature and in accordance with the United States Constitution Article I, Section 8, Clause 17.

Sovereignty Through Local Coordination Act

In instances in which the federal or state government imposes a law or regulation more restrictive than a local law or regulation, the *State Sovereignty through Local Coordination Act* grants city and town governments the authority to demand by lawful means that the federal or state government coordinate its law or regulation with that of the local government. To coordinate is defined as the federal or state government making a good faith effort to reach consistency with the local law. The legislation authorizes litigation by cities and towns whose coordination rights are not granted by the federal or state government, as well as legal standing for taxpayers in the relevant jurisdiction if the city or town fails to enforce their right of coordination.

HEALTH AND HUMAN SERVICES TASK FORCE

Christie Herrera, Task Force Director

Patients First Medicaid Reform Act

The purpose of this act is to consolidate and update ALEC's *Access to Medicaid Act*, which offered vouchers for private insurance coverage, and ALEC's *Market Based Medicaid Reform Act*, which established consumer-directed medical accounts. This legislation would put patients in charge of their care and provide them incentives to control their medical dollars. Although not spelled out in the legislation itself, as with all waivers and model legislation, it can be a narrowly targeted pilot program or a full-scale effort to reform the state's entire Medicaid system, as in Rhode Island.

Resolution on Improving Quality and Lowering Costs for States Through Medicaid

This resolution encourages the implementation of coordinated, risk-based, capitated programs to control costs and improve quality of care for all Medicaid beneficiaries, including those requiring long-term care services.

INTERNATIONAL RELATIONS TASK FORCE

Karla Jones, Task Force Director

Resolution Calling for Efforts to Reduce Counterfeit Pharmaceuticals Worldwide

Counterfeit pharmaceuticals exact an unacceptable toll on people around the world. It is estimated that hundreds of thousands of people die each year from counterfeit drugs lacking the correct active ingredient and/or accurate dosage of the active ingredient, and counterfeit pharmaceuticals are projected to result in lost revenues to pharmaceutical companies of $75 billion in 2010. This is money that they will not

have available for research and development. Strong regulations protecting drug patents are needed in many of the countries where counterfeit pharmaceuticals are particularly problematic. A number of countries with thriving counterfeit pharmaceutical operations have adequate regulations in place but these regulations are not adequately enforced. This resolution calls for the United States, and the other nations that have negotiated the Anti-Counterfeiting Trade Agreement, to sign and ultimately ratify it. This resolution also calls on ALEC to partner with like-minded legislators and other officials working on intellectual property enforcement around the world to engage and work on establishing ways to counter the proliferation of counterfeit pharmaceuticals.

Resolution Calling for the Establishment of Reconstruction Opportunity Zones in Pakistan and the Elimination of U.S. Tariffs on Pakistani Textiles

Time and time again, increased trade and the economic growth this trade brings have proven much more successful than foreign aid in helping a country to achieve long-term stability. Further, stability in Pakistan is directly linked to achieving U.S. objectives in Afghanistan. Therefore this resolution supports the tenets of the *Afghanistan and Pakistan Reconstruction Opportunity Zones Act* of 2009 as it is currently stated in U.S. Senate Resolution 496. Additionally, this resolution calls on the U.S. Government to consider reducing tariffs on Pakistan's textiles, which run about 10 percent and are about four times the average U.S. tariff rate on imports from other countries.

Resolution in Support of Deepening U.S.-Georgia Trade Relations

The Republic of Georgia is a bright spot of hope in a largely troubled region dominated by Russian influence and Islamic extremism. Throughout the past tumultuous two years—including a short-lived Russian invasion, Georgia has proven itself a worthy ally of the United States by staying true to its democratic roots and for liberalizing its economy. Economic growth, foreign direct investment, and favorable tax policies have propelled Georgia into one of the most desirable places to do business in the world and the least corrupt in Eastern Europe. To continue democratic and economic reforms, this resolution calls on the Administration a further deepening of the economic and trade relations with Georgia and the initiation of negotiations to enter into a free trade agreement with Georgia. These principles are currently embodied in S.RES. 136 and H.RES. 414.

Resolution Supporting Taiwan's Meaningful Participation in the International Civil Aviation Organization (ICAO)

Taiwan, an island with 23 million people, is not recognized as a sovereign entity at the United Nations (UN) or by any of the UN's specialized agencies, including the International Civil Aviation Organization (ICAO). In order to increase passenger safety, including the safety of the roughly 350,000 Americans who visit every year, this resolution calls for the U.S. Department of State to press for Taiwan membership at the ICAO, so that it can be compliant and an active participant in new international airline legislation and regulation. The inclusion of Chinese Taipei at a recent World Health Organization (WHO)

meeting shows that there is external momentum to link Taiwan more closely with the international political scene.

Resolution Urging Congress to Pass a Ban on "Plain-Packaging"

Among the countries considering plain-packaging bills are Canada, the UK, and Australia, and if passed, plain-packaging regulations could effectively deprive corporations of what is often their most valuable asset, their brand, trademark and/or logo. Much of this legislation is inconsistent with the various multilateral agreements that address intellectual property rights, such as the Paris Convention, the Trade Related Aspects of Intellectual Property (TRIPS) Agreement, and the Technical Barriers to Trade (TBT) Agreement. Additionally, plain-packaging legislation is inconsistent with the intellectual property provisions contained in the many bilateral free trade agreements into which the United States has entered. Compliance with plain-packaging regulations would increase the risk of product counterfeiting thus reducing consumer confidence in the origins and quality of these products. A stated goal of plain-packaging legislation is to decrease consumption of the product being plain packaged. However, there is mounting evidence that plain packaging has the opposite effect and actually increases consumption of plain-packaged products. This resolution calls on ALEC to oppose plain-packaging bills in legislatures around the world.

Resolution Urging Congress to Pass the Colombia Free Trade Agreement (FTA)

Colombia is often still thought of in a negative light, a result of years of narco-trafficking and drug-fuelled warfare between the government and the communist militants called the FARC. However, during the past decade, thanks to generous aid by the United States and a democratically-elected government headed by Alvaro Uribe, Colombia has become an economically successful and politically stable country. In April 2008, then President George Bush transmitted to Congress a proposal to initiate a U.S.-Colombia Free Trade Agreement (FTA). Because of opposition by labor rights activists, the legislation has yet to go through the House and Senate. If passed, the U.S.-Colombia FTA would boost U.S. exports by at least $1 billion per year and would help to secure Colombia as a political and economic ally, free from violence, in South America. This resolution updates a resolution calling for final ratification of the U.S.-Colombia FTA that ALEC ratified in June 2008. As the Colombian Embassy uses our resolution in their promotional materials and in order to draw attention to the issue, it should be updated to reflect current facts.

Resolution Urging Congress to Pass the Panama Trade Promotion Agreement (TPA)

The United States and Panama signed a trade promotion agreement on June 28, 2007, to reduce tariffs and trade barriers. The agreement has yet to be passed by Congress or the President. This agreement, however, would provide American firms duty-free access to Panamanian markets, while helping to strengthen civil society and economic ties in this important Central American country. Because Panama looks to widen its canal, the United States would be well-poised to benefit from this infrastructure upgrade. For military and commercial purposes, Panama is a very important country to American interests and therefore should be given top priority

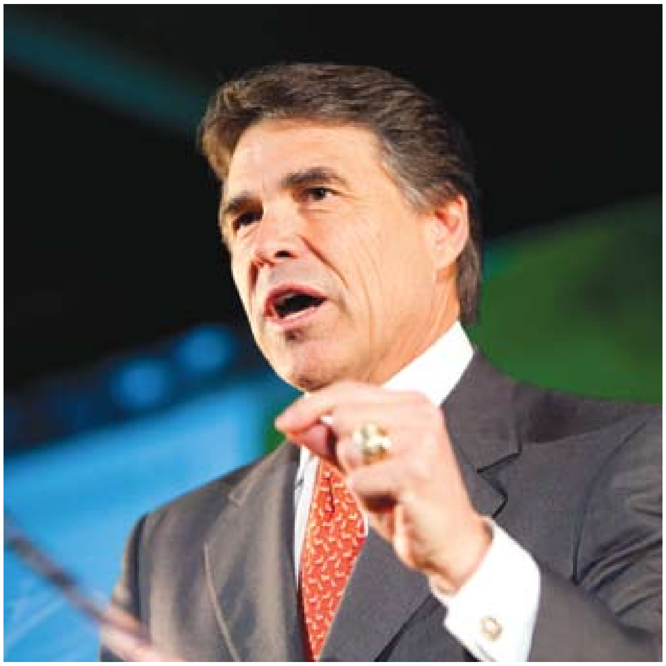
and preference as one of the few countries to trade completely freely with us. This resolution calls on the President of the United States to send the U.S.-Panama TPA implementing legislation to the U.S. Congress for a vote. Additionally, the resolution calls on the U.S. Congress to ratify the U.S.-Panama TPA and the President of the United States to sign the PTA into law.

Resolution Urging Congress to Pass the Trans-Pacific Partnership Agreement (TPP)

The TPP is the most ambitious free trade agreement currently being discussed by the Obama administration and the United States Trade Representative (USTR) and it will reduce trade barriers between the United States and seven other countries in the Pacific Rim including Brunei, Singapore, Vietnam, Australia, New Zealand, Chile, and Peru. Free trade agreements are often times only bilateral, whereas the TPP involves multiple countries over four continents. With enlargement flexibility, intellectual property protections, and transparency provisions, the TPP is considered by many to exemplify the gold-standard of all free trade agreements and it promises to be the model for all free trade agreements in the future. The TPP has the backing of the current administration, making its passage much more likely. This resolution calls on Congress to support negotiations for the passage of the TPP, as this agreement will help to boost exports and further drive the American economy.

U.S.-Indonesia Partnership

This resolution highlights Indonesia's overall global significance and strategic importance to the United States and commends the current Administration for their efforts toward enhanced cooperation with Indonesia.



FEDERAL RELATIONS WORKING GROUP

Karla Jones, Task Force Director

Constitutional Convention Amendment

This resolution urges the Congress of the United States to call a Constitutional Convention pursuant to Article V of the U.S. Constitution to propose a constitutional amendment permitting repeal of any federal law or regulation by a vote of two-thirds of the state legislatures. The delegates to such a convention should be selected according to procedures established by the legislatures of several states.

Madison Amendment

Without making any change to the structure of the Constitution of the United States of America, the Madison Amendment guarantees that states have the power to limit the scope of an Article V Convention to just a single amendment. The Madison Amendment eliminates the risk of an inadvertent "runaway" Constitutional convention and ensures that states have, as the Constitution's authors intended, the same power as Congress to propose a single Amendment to the Constitution.

Resolution Reaffirming Tenth Amendment Rights

The Tenth Amendment was part of the original Bill of Rights ratified by three-fourths of the states on Dec. 15, 1791, which specifically states, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." This amendment limits the scope of the federal government and has been violated innumerable times during the current and previous administrations. This resolution shall serve as a notice to the federal government of our demand to maintain the balance of power between the states and the federal govern-

ment as described in the Constitution. Additionally, we state our intentions to ensure that all government agencies and their agents and employees operating within the geographic boundaries of each state, or whose actions have an effect on the inhabitants, lands, or water of the individual states, shall operate within the confines of the original intent of the Constitution of the United States.

PUBLIC SAFETY AND ELECTIONS TASK FORCE

Michael Hough, Task Force Director

Resolution in Support of H.O.P.E

This Resolution recognizes the progress Hawaii's H.O.P.E. program has exhibited in lowering the crime rate amongst probationers. The resolution also supports the program and its success and aims to replicate its results in other states.

Resolution in Support of Justice Reinvestment

State spending on corrections has grown faster than almost any other budget item in the past 20 years, reaching nearly $52 billion dollars in tight economic times. Prison populations have risen dramatically and correction costs have quadrupled. Although prison admissions have begun to decline in recent years, the recidivism rates are still rising, leaving the fiscal status of many state prison systems untenable. Recognizing these problems, justice reinvestment uses research-based policies to save money on corrections, lower recidivism rates and make communities safer. Justice reinvestment has helped states around the nation cut costs dramatically through intervention, education, treatment, and intense supervision to identify those at the highest risk to commit crime. This resolution supports any policies which would use these proven methods to reduce spending on corrections and reduce recidivism.

Resolution in Support of the Citizens United Decision

This Resolution emphasizes the importance of first amendment protections of corporations', non-profit advocacy groups', and labor organizations' speech. The resolution warns that mandatory disclosure and disclaimer requirements, particularly relating to an organization's source of funding, can be intimidating to such organizations and inhibit free speech.

Resolution on DNA Testing Standards

A Resolution supporting the FBI effort to "re-evaluate existing policies, standards, and protocols, including requirements for outsourcing DNA analysis to private laboratories and review of their results by public law enforcement laboratories" that ensures continued quality in forensic science.

Resolution on Military Voting Rights
This resolution aims to point out flaws in the military voting "MOVE ACT" passed by Congress in 2009 so that military ballots are delivered home in the shortest possible time.

TAX AND FISCAL POLICY TASK FORCE

Jonathan Williams, Task Force Director

A Resolution in Opposition to Value-Added Taxes
The value-added taxes (VAT) would impose a tremendous burden on American taxpayers, their families, and businesses. In Europe, other taxes have risen at the same time as the VAT has risen, increasing the level of taxation. To prevent a similar experience in America, this resolution expresses strong opposition to the VAT tax.

Balanced-Budget Certification Act
This bill proposes a constitutional amendment requiring a state official to assist in the budget process. This official cannot be involved in writing or approving the budget. Furthermore, the official must estimate state revenues and certify that all spending proposed by the Legislature is funded with available revenue.

Spending Evaluation Act
This bill proposes a constitutional amendment to create the Government Review Commission. This commission would rigorously evaluate current and proposed state programs, agencies, and mandates.

Transparency and Government Accountability Act
"Transparency" is government's obligation to share information that citizens need to hold officials accountable for the conduct of the people's business. Despite "sunshine" laws and pro-transparency rhetoric, information requests are routinely ignored. This bill affirms that state government must disclose certain information in a timely manner, so that citizens may hold their elected officials accountable.

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY TASK FORCE

Seth Cooper, Task Force Director

Resolution Calling on the Federal Government to Maximize Its Stimulus Support for Broadband Internet Adoption and Use Programs
Calls upon ALEC to encourage the federal government to use federal broadband stimulus dollars committed by the Recovery Act to support digital literacy and public awareness efforts.

Travel Agent Fairness Act
The Travel Agent Fairness Act establishes a framework to eliminate confusion and controversy in the imposition of hotel occupancy taxes on services provided by travel agents and other travel intermediaries. The legislation clarifies that a service which helps travelers to research, compare, and book hotel reservations is not subject to those taxes that are imposed on hotel operators for the provision of a room. ■

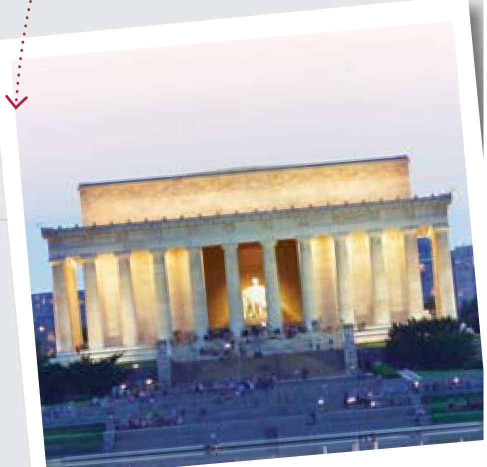
American Legislative Exchange Council
ALEC

1101 Vermont Ave., NW, 11th Floor
Washington, D.C. 20005
www.alec.org

Add these upcoming ALEC events to your calendar!

Calendar

States & Nation Policy Summit
Dec. 1-3, 2010

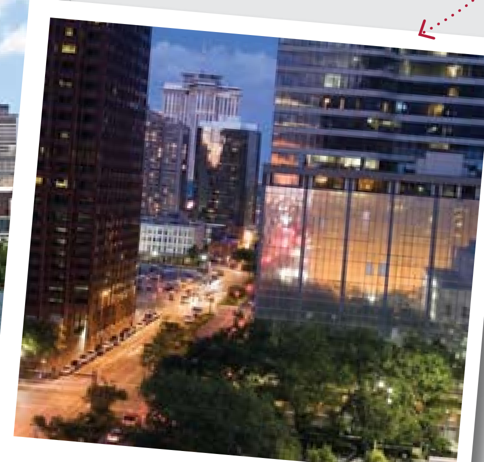


Washington, D.C.

Spring Task Force Summit
April 29-30, 2011

Cincinnati, OH

38th Annual Meeting
Aug. 3-6, 2011



New Orleans, LA

For more information about ALEC's annual conferences, visit www.alec.org